

(f) Unless otherwise agreed by the pipeline, the contract of the shipper releasing capacity will remain in full force and effect, with the net proceeds from any resale to a replacement shipper credited to the releasing shipper's reservation charge.

(g) To the extent necessary, a firm shipper on an interstate pipeline that offers transportation service on a firm basis under subpart B or G of this part is granted a limited-jurisdiction blanket certificate of public convenience and necessity pursuant to section 7 of the Natural Gas Act solely for the purpose of releasing firm capacity pursuant to this section.

(h)(1) A release of capacity by a firm shipper to a replacement shipper for any period of 31 days or less, or for any term at the maximum tariff rate applicable to the release, need not comply with the notification and bidding requirements of paragraphs (c) through (e) of this section. A release under this paragraph may not exceed the maximum rate. Notice of a firm release under this paragraph must be provided on the pipeline's electronic bulletin board as soon as possible, but not later than forty-eight hours, after the release transaction commences.

(2) When a release under paragraph (h)(1) of this section is at less than the maximum tariff rate, a firm shipper may not roll-over, extend, or in any way continue the release at less than the maximum tariff rate without complying with the requirements of paragraphs (c) through (e) of this section, and may not re-release to the same replacement shipper under this paragraph at less than the maximum tariff rate until twenty-eight days after the first release period has ended.

[Order 636, 57 FR 13318, Apr. 16, 1992, as amended by Order 636-A, 57 FR 36217, Aug. 12, 1992; Order 577, 60 FR 16983, Apr. 4, 1995; Order 577-A, 60 FR 30187, June 8, 1995]

Subpart I—Emergency Natural Gas Sale, Transportation, and Exchange Transactions

SOURCE: Order 449, 51 FR 9187, Mar. 18, 1986, unless otherwise noted.

§ 284.261 Purpose.

This subpart exempts a person who engages in an emergency natural gas transaction, as defined for purposes of this subpart, in interstate commerce from the certificate requirements of section 7 of the Natural Gas Act and from the conditions of § 284.7, except as provided in § 284.266, and §§ 284.8–284.13 of subpart A of this chapter.

§ 284.262 Definitions.

For purposes of this subpart:

(a)(1) *Emergency* means, except as provided in paragraph (a)(2):

(i) Any situation in which an actual or expected shortage of gas supply would require an interstate pipeline company, intrastate pipeline, local distribution company, or Hinshaw pipeline to curtail deliveries of gas or provide less than the projected level of service to any customer, including any situation in which additional supplies are necessary to maintain levels of natural gas storage inventories sufficient to ensure a pipeline's projected level of service to any customer, but not including any situation in which additional supplies are needed to increase the projected level of service to an existing customer or to provide service to new customers; or

(ii) A sudden unanticipated loss of natural gas supply or a sudden unanticipated increase in demand; or

(iii) Any situation in which the participant, in good faith, determines that immediate action is required or is reasonably anticipated to be required for protection of life or health or for maintenance of physical property.

(2) *Emergency* does not mean any situation under paragraph (a)(1) resulting solely from a failure by any person to transport natural gas under subpart B, C or G of this part.

(b) *Projected level of service* means the level of gas volumes to be delivered by the company for each customer and additional gas volumes needed by a customer due solely to a weather-induced increase in requirements.

(c) *Emergency natural gas* means natural gas sold, transported, or exchanged in an emergency natural gas transaction.